



State of Louisiana
DIVISION OF ADMINISTRATION

OFFICE OF STATE UNIFORM PAYROLL

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March 2, 2000

OFFICE OF STATE UNIFORM PAYROLL MEMORANDUM #2000-57

TO: All UPS Agencies

FROM: Ronald S. Mitchell
Director

SUBJECT: Federal / State Tax Exempt Report (BL1718-01) Review and Changes

According to Internal Revenue Service (IRS) Publication 15 (Circular E, Employer's Tax Guide), employers are required to send copies of certain Forms W-4 "received during the quarter from employees still employed by you at the end of the quarter" to the IRS. This includes employees claiming "(1) more than 10 withholding allowances or (2) exemption from withholding and his or her wages would normally be more than \$200 per week."

According to the Louisiana Withholding Tables and Instructions for Employers, "employers are required to submit copies of Form R-1300 (L-4) and Form R-1307 (L-4E) furnished to them by employees who do the following: (a) claim exemptions and dependency credits totaling 15 or more, or (b) complete Form R-1307 (L-4E) to claim exemption from withholding and whose wages are more than \$200 per week at the time the Form R-1307 (L-4E) is submitted."

NOTE: Because of the consolidation to the new tax id, it is necessary for OSUP to obtain copies of certain Forms W-4 and L-4/L-4E that were received by the agency prior to January 2000 and that are still in affect in 2000.

OSUP is now responsible for forwarding the appropriate Forms W-4 and L-4/L-4E to the IRS and the Department of Revenue (LA DOR). **It is the agency's responsibility to determine which employees meet the criteria above and to forward copies of the Forms W-4 and L-4/L-4E to OSUP.** Agencies are subject to penalties from the IRS and/or LA DOR if not in compliance with these mandates. Note: It is not necessary to forward copies of Forms W-4 or L-4/L-4E for employees who are claiming exempt status and who at the time of completing the form earn wages of less than \$200 per week (ex. students, clients, or board members). However, in order to set up an employee with an exempt status, you must have a signed Form W-4/L-4E from the employee.

Modifications have been made to the Federal / State Tax Exempt Report (BL1718-01) to assist OSUP and UPS agencies in determining which Forms W-4 and/or L-4/L-4E must be forwarded to the IRS and/or LA DOR. Two new columns have been added to the report: "Federal Withholdings > 10" and "State Withholdings > 14". Effective January 28, 2000 payday, the report is produced biweekly and is available in BUNDL view for 15 days and BUNDL Archives for 60 days. Agencies must review all prior and future reports to identify the Forms W-4 and L-4/L-4E to forward to OSUP.

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Special Instructions for Sending Forms W-4, L-4/L-4E to OSUP

Prior to forwarding copies of Forms W-4, L-4/L-4E to OSUP, the following boxes must be completed:

FORM W-4

Box 8	"State of Louisiana Office of State Uniform Payroll"
Box 10	"721447520"

FORM L-4

Box 9	"State of Louisiana Office of State Uniform Payroll"
Box 10	"1710599001"

If you have already written your agency's information in any of these boxes, make the change before forwarding the forms to OSUP.

If a termed employee appears on the Federal / State Tax Exempt Report and has a term date prior to 12/27/99, do not send Form W-4 or L-4/L-4E to OSUP.

Agency Personnel Withholding Responsibility

Prior Year Exempt Status - As mentioned in previous OSUP Memorandum, On-Line Status Reports, and messages on employee check/earning statement stubs, February 15, 2000 was the deadline for employees to forward a new Form W-4 to agencies to claim exempt status for 2000. If you had employees claiming federal exempt status in 1999 and you have not received a new form from the employee, you must change their federal status to "single" with "zero" withholding allowances. For employees who claimed exempt in 1999 and are again claiming exempt in 2000, you must forward a copy of the 1999 Form W-4 and the 2000 Form W-4 to OSUP. The state tax rules mirror the federal requirements; therefore, you should follow the same guidelines as above for anyone who claimed state exempt status in 1999.

Verification of Forms - Although agencies are not responsible for verifying that information included on Forms W-4, L-4 or L-4E is accurate, agencies are responsible for notifying IRS and/or LA DOR if they have reason to believe that the information is incorrect. In these cases, agencies should notify the IRS or LA DOR directly. OSUP will not notify these two agencies for these situations.

We appreciate your cooperation. If you have any questions on this information, please contact Ralph Noland at (225) 342-8928 or Barbara Blankenship at (225) 342-5345.

RSM:APH/kmb